

House Bill 375 (COMMITTEE SUBSTITUTE)

By: Representatives Williamson of the 115th, Shaw of the 176th, and Mayo of the 84th

A BILL TO BE ENTITLED

AN ACT

1 To amend Chapter 24 of Title 33 of the Official Code of Georgia Annotated, relating to
2 insurance generally, so as to provide for cancellations under certain circumstances relating
3 to policy terms that permit an audit and noncompliance by the insured; to provide for related
4 matters; to provide for applicability; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 **SECTION 1.**

7 Chapter 24 of Title 33 of the Official Code of Georgia Annotated, relating to insurance
8 generally, is amended by adding a new subsection to Code Section 33-24-44, relating to
9 cancellation of policies generally, to read as follows:

10 "(d.2) If the terms of a policy permit an audit and the insured fails to submit to or allow an
11 audit for the current or most recently expired term, the insurer may, after two documented
12 efforts to notify the policyholder and the policyholder's agent of potential cancellation, send
13 via certified mail or statutory overnight delivery, return receipt requested, written notice
14 to the named insured at least ten days prior to the effective date of cancellation in lieu of
15 the number of days' notice otherwise required by law; provided, however, that no
16 cancellation notice shall be mailed within 20 days of the first documented effort to notify
17 the policyholder of potential cancellation."

18 **SECTION 2.**

19 This Act shall be applicable to policies issued or renewed on or after July 1, 2013.

20 **SECTION 3.**

21 All laws and parts of laws in conflict with this Act are repealed.